

## Jayalaxmi Enterprises

January 29, 2018

### Summary of Rated Instrument:

Instrument	Previous Rated Amount(Rs. crore)	Current Rated Amount(Rs. crore)	Rating Action
Long Term –Fund Based (CC)	1.25	1.25	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating moved to the 'Issuer Not Cooperating' category
Short Term –Fund Based	6.25	6.25	[ICRA]A4; ISSUER NOT COOPERATING*; Rating moved to the 'Issuer Not Cooperating' category
Short Term – Interchangeable	(2.00)	(2.00)	
<b>Total</b>	<b>7.50</b>	<b>7.50</b>	

\*Issuer did not co-operate; based on best available information.

### Rationale

ICRA has moved the long term ratings for the bank facilities of Jayalaxmi Enterprises (JE) to the 'Issuer Not Cooperating' category. The rating is now denoted as “[ICRA]B+(Stable)/A4; ISSUER NOT COOPERATING”

ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity’s management has remained non-cooperative. The current rating action has been taken by ICRA basis best available/dated/ limited information on the issuers’ performance. Accordingly the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity.

### Analytical approach

ICRA has applied its rating methodologies/policies as indicated below:

### Links to applicable criteria:

[Policy in respect of non-cooperation by the rated entity](#)

## About the company:

Established in 1998, Jayalaxmi Enterprises (JE) is a partnership firm promoted by Mr.Vittalaraya Hegde and family. JE is engaged in processing of raw cashew nuts (RCNs) to plain cashew kernels and trading of RCNs and processed kernels. JE has its processing unit in Hosmar in Udupi District, Karnataka with an installed capacity of 1300 MT per annum. The firm sources about 50-60% of its RCN requirements through imports from East and West African countries and the rest from the traders and resellers in Kerala and Karnataka. During 2015-16, the firm derived about 60% of its revenues from exports to the Middle Eastern countries. Trading of RCNs and processed kernels contributed to about 75% of the revenues during 2015-16. Besides Jayalaxmi Enterprises, the promoters also own two other firms named Laxmidevi Cashews and Manglagowri Exports, also engaged in the cashew processing, with an installed processing capacity of 250 MT and 225 MT per annum respectively. JE uses the facilities of its associates for cashew processing. With its associates, JE has an aggregate manufacturing capacity of 1775 MT per annum.

The previous detailed rating rationale is available on the following link: [Click here](#)

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